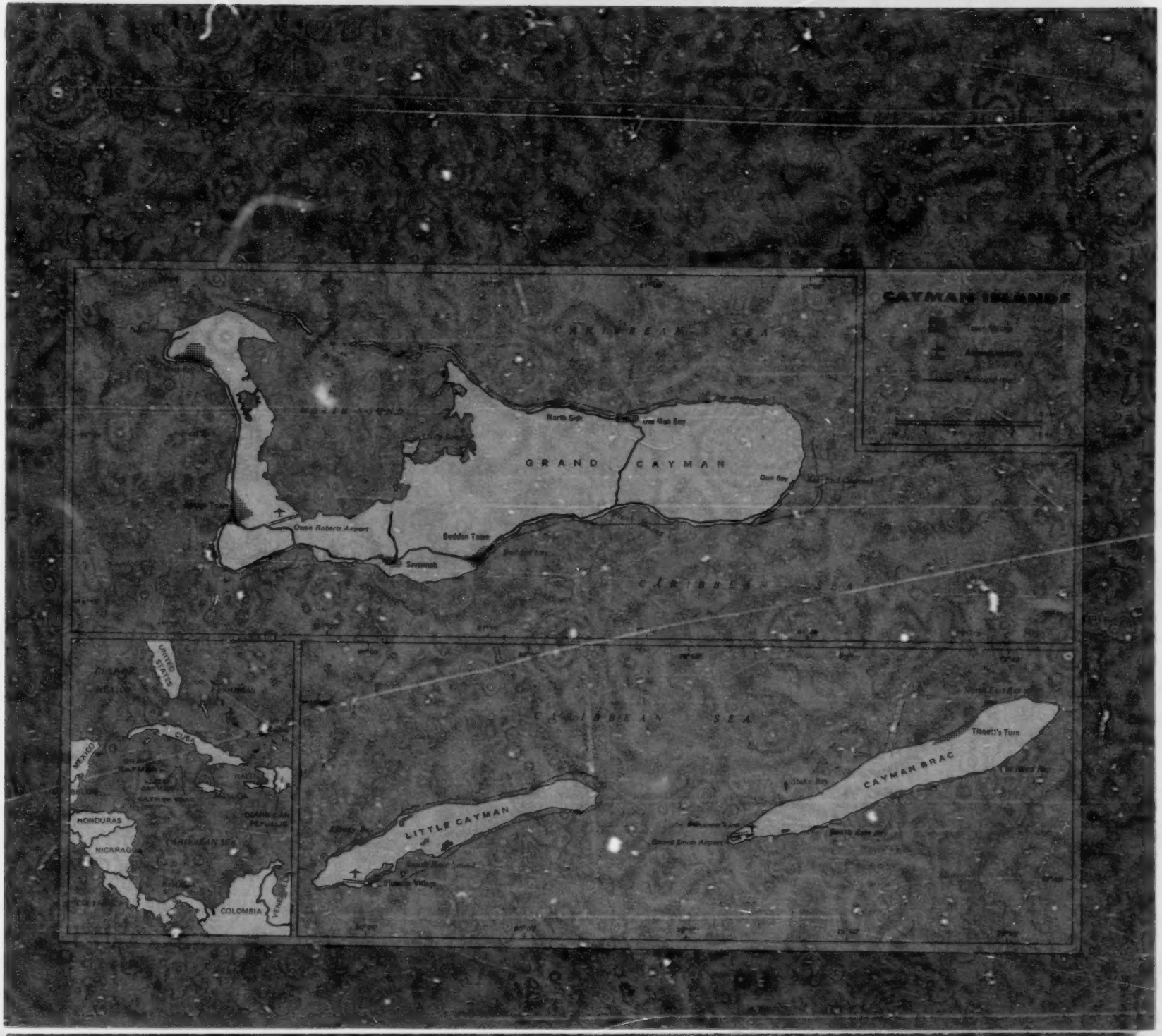

CAYMAN ISLANDS
CARIBBEAN SEA
GRAND CAYMAN
North Side
George Town
Owen Roberts Airport
Bodden Town
Savannah
East End
Cayman Kai
CARIBBEAN SEA
LITTLE CAYMAN
Edward Bodden Airport
CAYMAN BRAC
Gerrard Smith Airport
Tibbetts Turn
Stake Bay
UNITED STATES
CUBA
MEXICO
HONDURAS
NICARAGUA
CARIBBEAN SEA
DOMINICAN REPUBLIC
COLOMBIA
VENEZUELA

ADMINISTRATION

According to the 1972 Constitution, the territorial Government consists of a Governor appointed by the Queen, an eight-member Executive Council and a 16-member Legislative Assembly. The Executive Council consists of the Governor as President, three official members and four others elected by the Legislative Assembly from among their number. The Legislative Assembly consists of the Governor as President, three official members and 12 others elected by adult suffrage for four-year terms.

The three official members of both bodies are the Financial Secretary, the Attorney-General and the Administrative Secretary. Matters relating to the civil service, defence, external affairs and security are the responsibility of the Governor. On other matters the Governor normally consults the Executive Council.

The juridical system is based on English common law. There are two courts—the Summary Court (Lower Court) and the Grand Court, which has powers similar to a High Court in the United Kingdom. The Cayman Islands Court of Appeal consists of jurists from Jamaica and the Bahamas.

There are no officially recognized political parties, although candidates form teams during election campaigns. General elections for the 12 elected seats in the Legislative Assembly take place every four years.

Early in 1988, a constitutional amendment resulting from a request voted by the Legislative Assembly in 1987 came into force. Aimed at retaining Caymanian control of the legislative processes, the amendment narrowed slightly the qualifications for voting and candidature for the Assembly.

In November 1988, general elections took place with 24 candidates contesting the 12 seats in the Assembly. Just over 80 per cent of the registered electors went to the polls. Four new members were elected to the Assembly and a former member returned after a four-year interval.

The Narcotics Agreement between the Cayman Islands, the United States and the United Kingdom effective since 1984 was extended until November 1988. Since 1984, the Territory had complied with 57 requests from the United States Government for lifting the Territory's confidentiality regulations under the Narcotics Agreement.

In July 1986, the three Governments signed a Mutual Legal Assistance Treaty, under which the Cayman Islands undertook to provide information to United States authorities to assist in the investigation of a broader range of serious crimes. Following adoption of enabling legislation by the Cayman Islands Legislature in 1986, the Treaty was ratified by the United Kingdom. After approval by the United States Senate, the Treaty will replace the 1984 Narcotics Agreement.

In November 1989, the Government of the Cayman Islands, together with those of 18 other countries of the region, signed at Miami, Florida (United States), a Caribbean customs agreement entitled "The Memorandum of Understanding regarding Mutual Assistance and Co-operation for the Prevention and Repression of Customs Offences in the Caribbean Zone", referred to as MOU. It aims at preventing problems arising from the smuggling of funds, money laundering and false invoic-

ical) malpractice. At the end of 1988, the insurance market comprised two locally owned and 23 international incorporated insurers. Some 64 agents and subagents and six insurance brokers were licensed to solicit business.

The Government has continued its localization policy by providing opportunities for Caymanians to improve their skills and knowledge and to prepare themselves for advancement in the public service. In 1988, Caymanians occupied more then 70 per cent of the 1,700 established public service posts.

Education is free and compulsory for Caymanian children between 4 years–9 months and 16 years of age. There are nine government and six church-sponsored primary schools, two government high schools, a new middle school and two private secondary schools. Higher education courses can be undertaken at the Community College of the Cayman Islands, the International College of the Cayman Islands (private) and the Cayman Islands Law School, which offers a course leading to a Bachelor of Law degree from Liverpool University in the United Kingdom.

Medical facilities consist of a 52-bed government hospital in George Town and a 12-bed one on Cayman Brac. Of the six health centres, four are in outlying districts of Grand Cayman and two are on Cayman Brac.

PUBLIC FINANCE

The 1990 budget provides for $CI 110.9 million in expenditure. Ordinary revenue is estimated at $CI 98.2 million. The budget is balanced by an accumulated surplus of $CI 9.2 million at the end of 1989. The surplus for 1990 is estimated at $CI 727,960. Although the 1990 budget represents a 7.6 per cent increase over the 1989 budget, it has basically the same purchasing power because of the 6.5 per cent rate of inflation during 1989. The inflation rate is expected to fall below 4 per cent in 1990 and be equal to 3 per cent by 1992.

FUTURE POLITICAL STATUS

In November 1990, the General Assembly reaffirmed the importance of fostering an awareness among the people of the Cayman Islands of the possibilities open to them in the exercise of their right to self-determination and independence.

It called upon the administering Power, in consultation with the territorial Government, to facilitate and promote increased participation by the local population in the decision-making process in the affairs of the Territory.

CAYMAN ISLANDS

The Territory of the Cayman Islands consists of three islands: Grand Cayman, Cayman Brac and Little Cayman—the last two also known as the Lesser Caymans. Located in the Western Caribbean 240 kilometres south of Cuba, these low-lying coral islands have reefed and rocky coasts, no rivers and few natural resources. The Territory has a total area of about 260 square kilometres divided as follows: Grand Cayman, approximately 195 square kilometres; Cayman Brac, 39 square kilometres; and Little Cayman, 26 square kilometres. George Town, the capital, is located on Grand Cayman.

Other major indicators of vital statistics for 1988 were: rate of growth of population, 8.7 per cent; birth rate, 15 per thousand; death rate, 4.4 per thousand; and rate of natural increase of population, 10.8 per thousand. The net migration rate in 1988 was 72.6 per thousand—the highest ever recorded—and was attributed to an increase in the arrivals of non-Caymanians, mainly work-permit holders.

The United Nations dispatched a visiting mission to the Cayman Islands in 1977.

HISTORICAL BACKGROUND

The islands were sighted by Christopher Columbus in 1503, but were not colonized by Spain. They were colonized by the British in 1670, incorporated with Jamaica in 1863 and, until 1959, were a dependency of the then British colony of Jamaica.

LOCATION: Western Caribbean

CAPITAL: George Town

AREA: 260 square kilometres

POPULATION (1988 Est.): 25,900

ADMINISTERING POWER: United Kingdom

ing, as well as detecting various kinds of white-collar fraud and interdiction of illegal drugs. A conference on the implementation of the MOU, with the participation of all parties to the agreement, was held in the Cayman Islands in 1990.

ECONOMIC AND SOCIAL CONDITIONS

Major economic sectors of the Cayman Islands are the financial industry, tourism, construction, the real estate business and local industry. Tourism and international finance contribute significantly to development by providing substantial amounts of capital and foreign exchange. The tourist and finance sectors constitute a major growth factor for other sectors of the economy, such as construction, real estate development, local services and the offshore insurance business.

Since the mid-1960s, the development of agriculture has lagged behind the rapidly growing sectors of tourism, international finance and construction. Consequently, there has been a substantial dependence on food imports. Self-sufficiency has been achieved only in bananas and tomatoes. There is a small manufacturing sector which the Government in its efforts to diversify the economy has tried to expand in recent years.

Tourism is a dominant sector of the economy and a major source of foreign exchange for the Territory. In 1988, there was continued growth in tourism, with visitors reaching 500,000.

In 1988, air arrivals increased by 4.6 per cent over the previous year, bringing in a total of 218,709 stay-over visitors, while 291 calls by cruise ships brought a total of 315,585 passengers, a 16 per cent increase over the 1987 indicator.

At the end of 1988, the number of hotel beds totalled 2,606. Apartments, cottages and guest houses available for rent rose to 5,158.

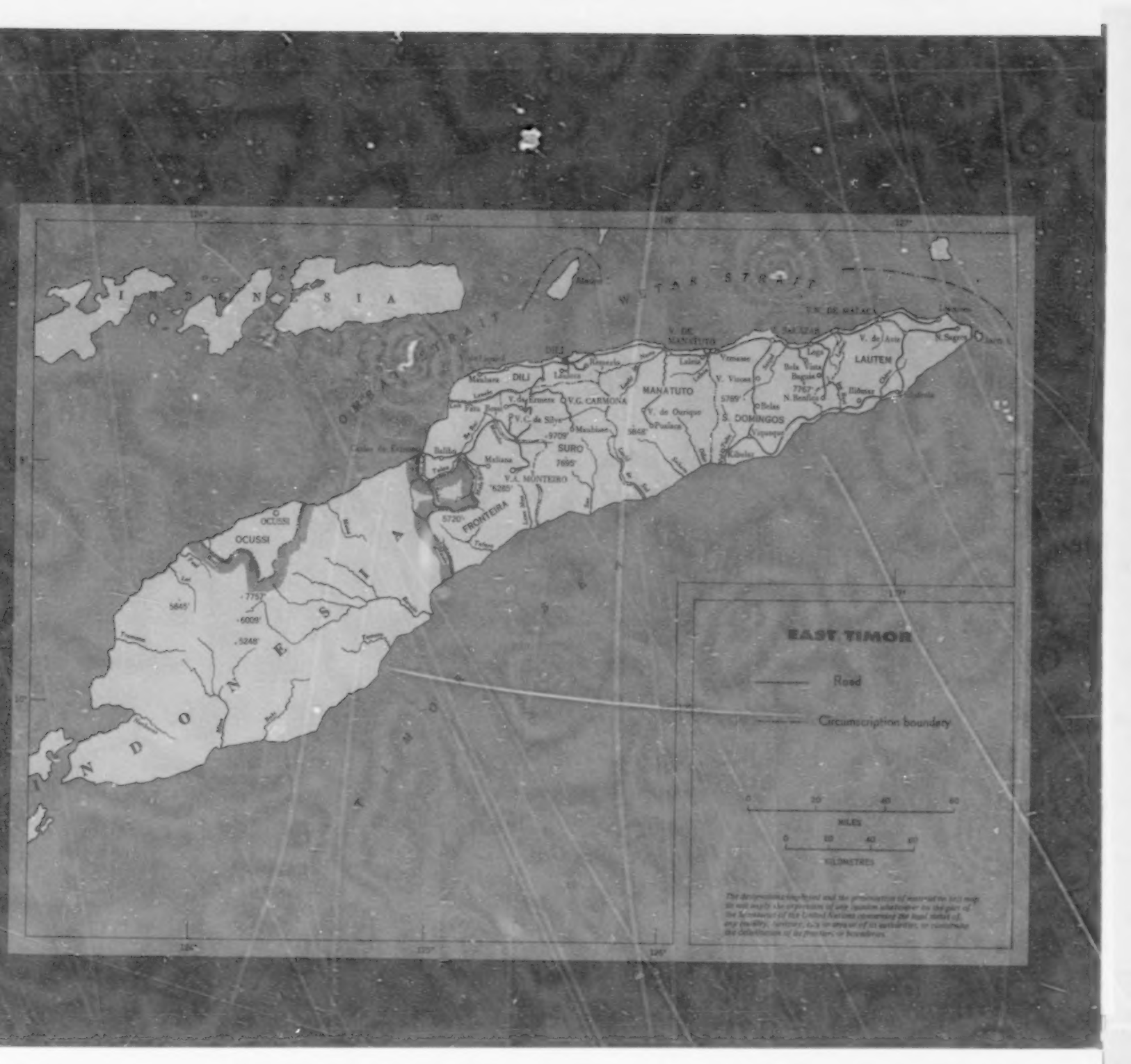
The banking and trust industry has expanded considerably since its inception in the early 1960s and has transformed the Cayman Islands into one of the world's leading offshore financial centres.

In 1988, 40 licences were issued and 21 were cancelled; with a net increase of 19, licences issued reached a total of 527. Forty-four of the world's 50 largest international banks are now licensed in the Territory. Countries with a banking presence in the Cayman Islands total 59, with the largest share coming from the United States (29 per cent), followed by Switzerland (7.4 per cent) and Denmark (5.9 per cent). Total assets of licensed banks are estimated at $US 250 billion.

The overall contribution of the international banking sector to the economy of the Territory in 1988 consisted of 5.5 million Cayman Islands dollars ($CI 1.00 = $US 1.20) in direct payments to the Government in the form of licence fees and approximately $CI 55.2 million in the form of salaries, rent, capital expenditure and other normal business costs. Banks operating offshore contributed a further $CI 7.2 million.

The insurance sector, supported by the high quality of legal, financial and administrative services, has benefited from the unsettled state of the insurance market in the United States, which covers professional (including med-

EAST TIMOR


INDONESIA
WETAR STRAIT
OMBAI STRAIT
TIMOR SEA
DILI
MANATUTO
LAUTEM
OCUSSI
DILI
V.G. CARMONA
V. de Ourique
S. DOMINGOS
SURO
V.A. MONTEIRO
FRONTEIRA
MANATUTO
V. de Arsia
N. Sagres
Vemasse
V. Viseu
N. Benfica
Lospalos
Viqueque
Baucau
Ossu
Ermera
Maubisse
Same
Aileu
Maliana
Balibo
Suai
Betano
Tutuala
Ataúro
Jaco I.
5720'
5845'
7752'
6009'
5248'
9709'
7695'
6285'
5848'
5789'
7767'
EAST TIMOR
Road
Circumscription boundary
MILES
KILOMETRES

The United Nations continues to hold Portugal responsible for administering East Timor.

Every year, in a letter addressed to the Secretary-General, the Portuguese Government reiterates its inability, given the reality of the situation in East Timor, to submit to him information called for by the Charter. Indonesia maintains that the process of decolonization in East Timor has been completed as its people have chosen independence through integration with Indonesia.

ADMINISTRATION

After the overthrow of the Marcello Caetano régime in Portugal in April 1974, the new Portuguese Government acknowledged the right to self-determination, including independence, of the colonial Territories under its administration. Following that, organized political movements began to emerge in East Timor.

In late 1974, Portuguese authorities undertook negotiations on decolonization with the three main political parties: the Frente Revolucionária de Timor Leste Independente (FRETILIN), which demanded complete independence after a brief transitional period; the União Democrática Timorense (UDT), which supported continuation of the Portuguese presence; and the Associação Popular Democrática de Timor (APODETI), which favoured integration with Indonesia.

In May 1975, after a short-lived coalition with FRETILIN, UDT leaders announced that their party would accept integration with Indonesia if that was the wish of the people of East Timor. In July, the Portuguese Government passed a law providing for a transitional government which would prepare for the election of a Popular Assembly, to be responsible for determining the future constitutional status of the Territory. Portuguese sovereignty was to be terminated in October 1978 unless some other agreement was reached between Portugal and the Popular Assembly. After civil war broke out in the Territory in the second half of 1975, Portugal, unable to control the situation, withdrew its military and civilian personnel.

In November 1975, FRETILIN unilaterally declared the independence of the Territory and the establishment of the "Democratic Republic of East Timor". On 1 December, APODETI, UDT and two smaller parties also proclaimed the Territory's independence and its integration with Indonesia. On 7 December, Indonesian troops landed in the East Timorese capital of Dili. Ten days later, the pro-Indonesian parties declared the establishment of a "Provisional Government of East Timor". Subsequently, in May 1976, the "Provisional Government" held elections in areas under its control for a "Regional Popular Assembly" which, at its first meeting, called for East Timor's integration with Indonesia.

POLITICAL DEVELOPMENTS

Under an Indonesian law promulgated on 17 July 1976, East Timor was designated as an Indonesian province or a "first-level region".

East Timorese participate in the work of the National House of Representatives and in the People's Consultative Assembly of Indonesia.

January 1990. Many of the detainees were reportedly released after questioning, but a number were reported to have been ill-treated or tortured at the time of arrest and while in detention. It was believed that at least 10 remained in various military detention centres in December 1989, although military and government authorities denied that information.

Most of those detained were accused, either formally or informally, of association with FRETILIN. According to the report, almost all reported political prisoners in East Timor over the past 14 years were similarly accused.

An Asia Watch report entitled *Human Rights in Indonesia and East Timor: An Update* reported that the Indonesian presence, with tens of thousands of civil servants and security forces, tight restrictions on basic freedoms and widespread corruption, caused deep resentment of the population of East Timor. A series of arrests took place in East Timor in April, May and June 1989, and some 75 persons were believed to have been arrested in Dili, Lospalos, Manatuto, Baucau and Lachbar, the report added.

ECONOMIC AND SOCIAL CONDITIONS

According to a press release from the Permanent Mission of Indonesia to the United Nations, the prevailing economic and social conditions in East Timor could be described as follows:

► "Education was compulsory for children from seven to 12 years of age;

► "East Timor has managed to construct 565 school buildings for no less than 105,058 students;

► "More than 50 per cent of the junior high school graduates in East Timor were accommodated in the senior high school in 1989;

► "Senior high school as of the end of 1989 had the capacity to accommodate 3,910 new students;

► "At the beginning of 1990 fiscal year, the management of the East Timor budget will be transferred fully to the local government level II (regencies);

► "Local government of East Timor in fiscal year 1988/89 procured 205,000 fish breed for fishermen. This breeding procurement consists of 200,000 fish breeds from central government funds and the rest from sectoral funds;

► "The production of fish in East Timor at the end of 1989 reached 702.95 tons, consisting of 39.95 tons of inland fish and 663 tons of sea fish;

► "As of 31 March 1989, East Timor had 2,325 kilometres of roads, and 19 bridges with a total length of 959 metres;

► "In 1984, the plantation acreage was recorded at about 148,000 hectares, producing about 20,811 tons of commodities."

In 1989, the total plantation acreage in the Territory was estimated by Indonesian authorities to have increased to 164,867 hectares.

According to the Indonesian Foreign Affairs Directorate for Information, East Timor is available for tourist travel. The same source indicated that the necessary travel, communications and housing facilities and supporting activities had been found adequate to accommodate vacationers in Dili, Ainaro, Covalima, Aileu, Ermera, Liquiça, Bobonaro and Ambeno.

On 11 December 1989, Indonesia and Australia signed

EAST TIMOR

The island of Timor lies to the north of Australia and is located at the tip of the chain of islands forming the Republic of Indonesia. The western part of the island belonged to the Netherlands Indies and became part of Indonesia when the country attained independence. The Territory of East Timor comprises the eastern part of the island, the enclave of Oecusse Ambeno, the island of Ataúro off the northern coast, and the island of Jaco off the extreme eastern tip.

HISTORICAL BACKGROUND

Portuguese traders first visited the island of Timor about 1520 and several settlements were established. The Dutch arrived about 1613 and established their colonies in the south-western portion, as the Portuguese moved to the north and east.

In 1859, a treaty between Portugal and the Netherlands divided the island. East Timor, including the enclave of Oecusse Ambeno and the nearby islands of Ataúro and Jaco, kept the status of a Portuguese colony until 1951, when it was proclaimed an "overseas province" and, as such, an integral part of Portugal. In 1960, the General Assembly determined that, as was the case for other Territories under Portuguese administration, East Timor was a Non-Self-Governing Territory within the meaning of Chapter XI of the Charter of the United Nations.

In April 1977, the Government of Portugal informed the United Nations that conditions prevailing in East Timor prevented it from assuming its responsibilities towards the Territory as set down in the United Nations Charter.

LOCATION: Western Pacific

CAPITAL: Dili

AREA: 14,925 square kilometres

POPULATION (1990 Est.): 737,000

ADMINISTERING POWER: Portugal

In April 1987, general elections for the National Assembly were held in Indonesia. According to an official Indonesian report, 360,144 voters registered with the East Timor Elections Committee. Of the total, 338,078 (93.7 per cent) voted for the ruling Functional Group (GOLKAR).

In September 1987, Mr. Mario Carrascalão was sworn in for a second five-year term as "Governor" of East Timor by the Indonesian Minister for Home Affairs.

According to a July 1990 press release issued by the Permanent Mission of Indonesia to the United Nations, two new battalions of the Indonesian armed forces had replaced the six battalions deployed previously in the Territory. The two new battalions reportedly were to be "specifically assigned with civic missions to work with the local people in development projects such as agriculture, building of infrastructures in villages and building houses of worship".

A 1989 United States Department of State report affirmed that frequent military operations were conducted in the Territory where FRETILIN rebels continued sporadic activities in low-level insurgencies.

Pope John Paul II visited East Timor in October 1989. During his four-hour stay in Dili, the Pope celebrated an outdoor mass at the end of which a mêlée broke out between anti-government demonstrators and police officers.

In December 1989, a bipartisan group of 114 members of the United States House of Representatives wrote to the United States Secretary of State stating that they were "deeply disturbed" at reports of arrests following a 12 October 1989 demonstration in Dili during the Pope's visit. They said that the use of torture to extract confessions "would fall into a well-established pattern in East Timor. . .of mistreatment and abuse of detainees in the period immediately following arrest".

The Foreign Affairs Directorate for Information of Indonesia reported that a parliamentary delegation of the Federal Republic of Germany visited East Timor in September 1989.

The United States Ambassador to Indonesia, Mr. John Monjo, visited East Timor in January 1990.

HUMAN RIGHTS SITUATION

The United States Department of State publication, *Country Reports on Human Rights Practices for 1989, Indonesia*, reported that despite progress in some areas, including greater freedom of movement for Indonesians and foreigners to and within East Timor, as well as continued tolerance for ethnic, racial and religious differences, serious human rights problems remained. These included periodic detentions of East Timorese suspected of being FRETILIN sympathizers, temporary disappearance of persons held for interrogation by security forces, harsh sentences meted out in several subversion trials, continued significant restrictions on freedom of the press and movement, and pervasive political controls which ensure continued military domination of the Government.

According to Amnesty International's report entitled *East Timor: Short-Term Detention and Ill Treatment*, some 25 East Timorese, most of them students, were detained for their alleged participation in a series of pro-independence demonstrations during the period from October 1989 to

a comprehensive agreement for a zone of co-operation for exploration and exploitation of offshore oil resources in the maritime area between East Timor and northern Australia, known as the Timor Gap.

The Permanent Representative of Portugal to the United Nations informed the Secretary-General soon afterwards that the two Governments had agreed to take appropriate steps in order to sign and ratify a treaty, together with its annexes, on establishment of the zone of co-operation. Through the treaty, the two countries aimed at jointly exploring and exploiting petroleum resources in the maritime area.

The Permanent Representative's letter protested that the signature and ratification of such a treaty would constitute a blatant breach of international law, namely of the relevant General Assembly and Security Council resolutions, since Indonesia lacked the legitimacy to undertake any commitments regarding East Timor.

The 1989 United States Department of State report on East Timor indicated that the Territory had remained a traditional food-deficit area, relying primarily on shifting "slash and burn" farming techniques. Dislocation and damage caused by the insurgency had undermined agricultural production, according to the report. Restrictions on movement in areas of military operations had reduced or delayed planting, with a further negative impact on food production.

The report noted that although East Timor had avoided serious food shortage and there was no immediate risk of famine, the food situation in parts of the Territory was precarious and required careful monitoring.

The Government recently eased access by some foreign observers to the Territory. In October 1988, an Australian State Chief Minister accompanied by journalists and some former East Timor residents visited the Territory. In December 1988, the Indonesian Government announced that as of 1 January 1989, special travel requirements would no longer be in effect for East Timorese travelling to "other provinces" or for Indonesians from "other provinces" travelling to East Timor.

PUBLIC FINANCE

East Timor was reportedly able to increase revenue up to 24.67 billion rupias (Rp 1,840 = $US 1.00) for the 1988/89 budget. That amount reportedly included genuine domestic earning of Rp 1.56 billion, contributions of Rp 8.44 billion and the Indonesian Government's aid of Rp 12 billion.

UNITED NATIONS ACTIVITIES

In November 1982, the General Assembly requested the Secretary-General to initiate consultations on East Timor with all parties concerned with a view to promoting a comprehensive settlement of the problem.

Since 1983, the Secretary-General has kept the General Assembly apprised of related developments in exercise of his good offices. In his latest progress report, submitted to the General Assembly at its forty-fifth (1990) session, the Secretary-General stated that he had obtained the reaffirmation, from both Indonesia and Portugal, of